

Community Services Bureau, Employment and Human Services Department 2016-17 Program Model Change Overview

Community Services Bureau (CSB) is proposing a program model change that includes a Federal Head Start childcare slots reduction and an increase in State Department of Education childcare slots in an effort to meet the growing unfunded fiscal mandates and the changing needs of the community.

CSB continues to struggle with high facilities costs, stagnant State and Federal funding, the anticipated cost of living increases and other un-funded mandates that are threatening to adversely impact the quality services that we provide to our community. At the same time, the needs of our communities are shifting, forcing us to adapt our program to best meet these changing needs.

Many Head Start programs State-wide are requesting from the Office of Head Start a reduction in slots while maintaining the same level of funding. Community Services is making the same request, but has devised a strategic and innovative plan that reduces costs while increasing revenue in the Department and slots in the community.

Included in this model change are the following:

- The reduction of **150** Head Start slots through varying strategies, including:
 - A reduction in class size of seven classrooms in an effort to enroll more three year olds;
 - The conversion of select classrooms from part-day, part-year to full-day, full-year to best meet community need; and
 - The elimination of 72 preschool home based slots to meet the growing demand of center-based care.
- An increase of 168 new State slots to fully earn the State contract and generate additional revenue through partnerships in Antioch, Pittsburg, San Ramon and Concord.

Impact:

- Children and families impacted by these changes will have the opportunity to move to other classrooms close by – no one will lose care.
- Teaching staff impacted by the classroom changes have the opportunity to bid into other vacant positions and none will lose employment.
- The largest impact is to six of the seven Home Educators, who will lose their positions. CSB will provide every opportunity for them to continue with CSB in other positions.

Please see attached justification

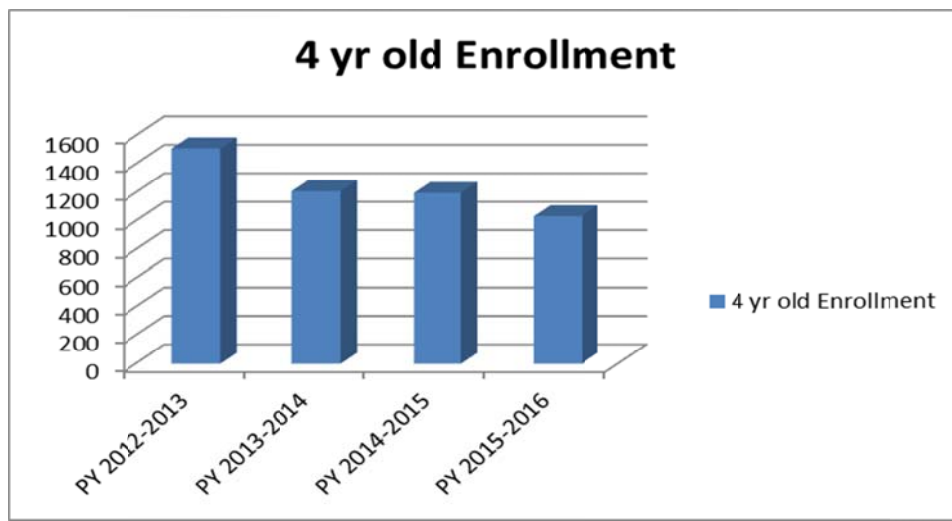
**Contra Costa County Employment and Human Services Department
Community Services Bureau
2016-17 Enrollment and Program Model Changes**

A Changing Landscape

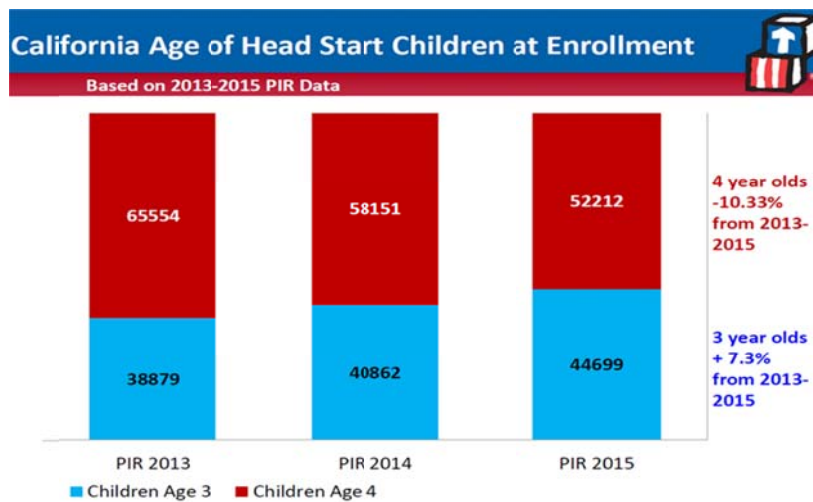
HEAD START CENTER-BASED SLOT REDUCTION- 78 SLOTS

1. Increased Options for Families: An overarching trend that is taking the nation by storm is the exodus of four year old children to Transitional Kindergarten (TK) programs and to the proliferation of newly funded school-based state-preschool programs. In Contra Costa County, 2,744 slots went to Transitional Kindergarten this year and \$4,273,047 in new state preschool funding has been allocated since 2013.

Due to this shift, CSB has struggled to maintain 100% enrollment at all times as required by the Head Start Performance Standards consistently over the past two years. The below table illustrates the decline in 4 year old enrollment in Community Services.



This continuing decline in four year old enrollment is aligned with the State’s sharp decline in four year old enrollment as reported by the Regional Office in February, 2016 as indicated below.



A Solution: CSB is poised to meet this challenge by re-designing our program to be able to serve more 3-year olds. In order to do this, we must reduce class size according the Head Start Performance Standard 1306. We have identified seven (7) classrooms to serve more three year olds and we have redesigned others to meet the needs of our community for more full-day care.

These proposed changes will result in no loss of employment for staff and no loss of early care and education for our children.

2. Change in Family Need: Each year, staff reviews the community assessment to ensure that our program options meet the changing needs of our families. When looking at our waitlisted families, 14% of families need part-day, part-year services and yet we have the capacity to serve 30%. With unemployment now at 4.5% in Costa County, more families need full-day, full-year services as they go to work.

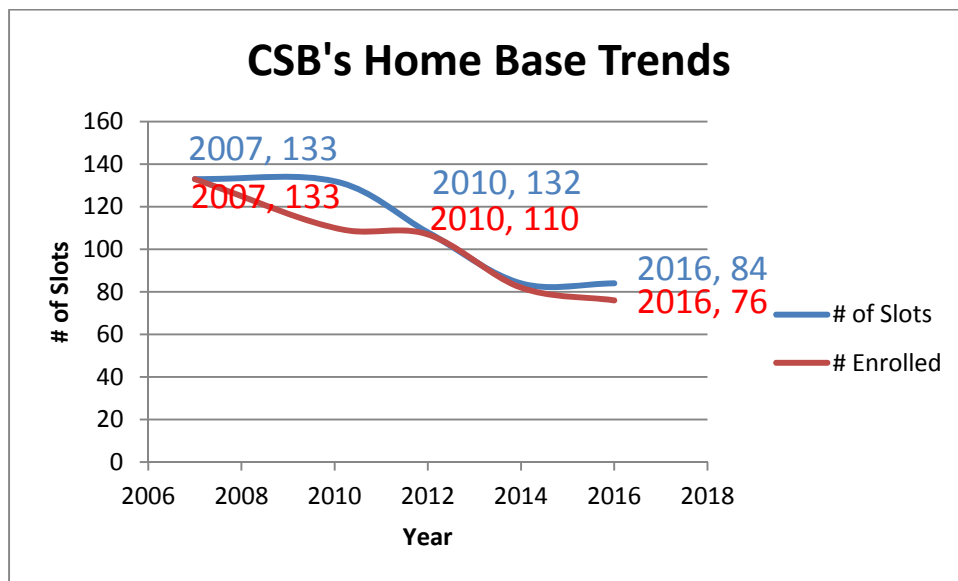
A Solution: In an effort to meet the needs of our families, four classrooms county-wide will be converted from part-day to full-day. In addition, we will add 84 state funded center based slots to be placed in areas of high need.

Again, these proposed changes will result in no loss of employment for staff and no loss of early care and education for our children.

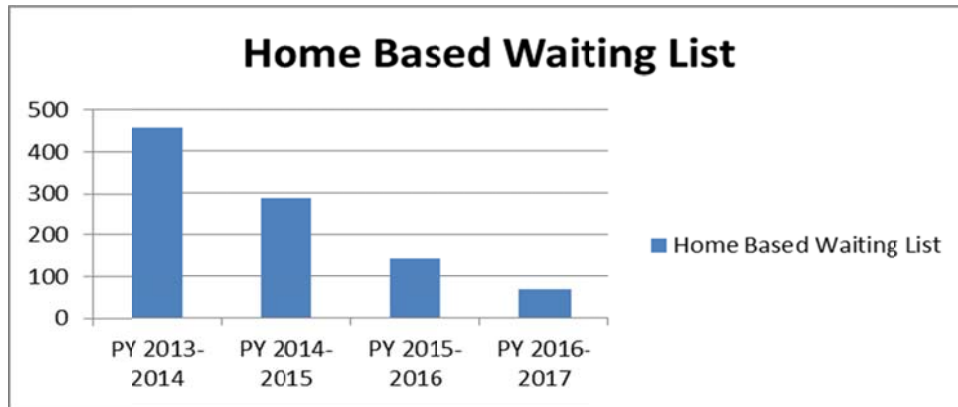
HEAD START HOME-BASED SLOT REDUCTION – 72 SLOTS

1. Change in Family Need: Each year, staff reviews the community assessment and other program data to ensure that our program options meet the changing needs of our families. Data shows less need for home-based care for preschoolers and a growing need for center-based services. The tables below illustrate this change.

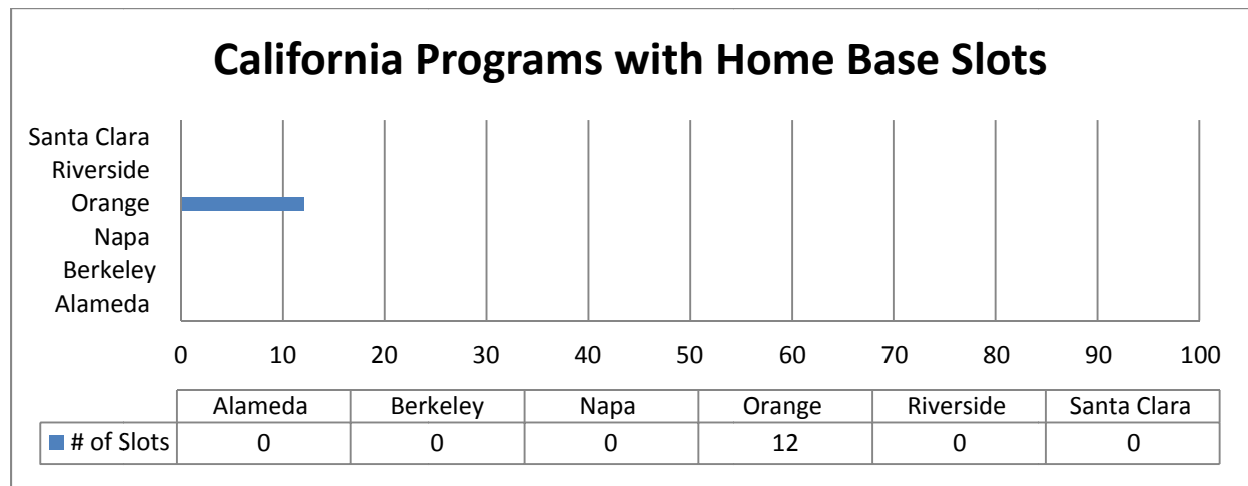
There has been a steady decline in home based slots available and a more drastic decline in enrollment. Home Base has not achieved full enrollment, a federal mandate, since 2013. In order to maintain compliance, CSB has over-enrolled in full-day/full year care to offset for this drop in enrollment in home base.



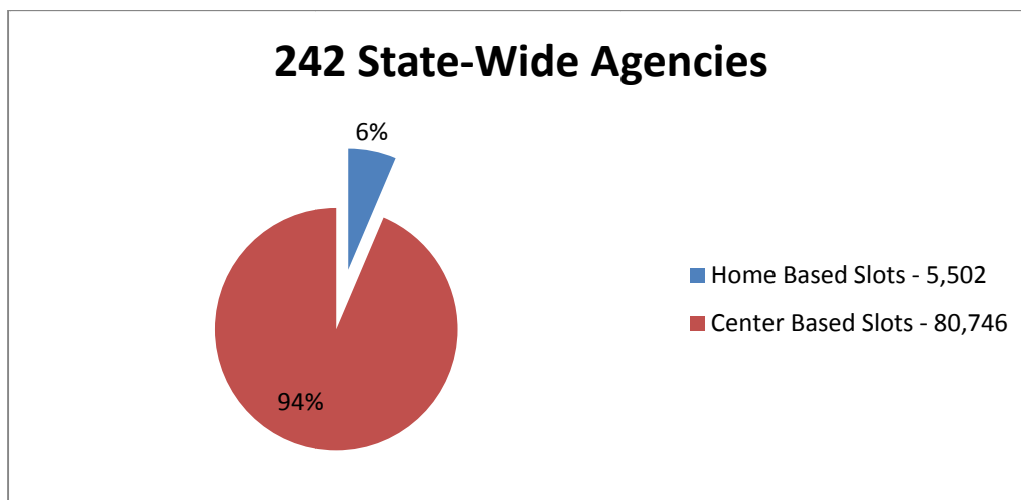
Similarly, the chart below shows a steep decline in children on the CSB waitlist that have indicated home base as their first preference for service.



A survey of other programs similar to CSB, that historically had home-based programs, clearly reveals a move away from home-base as a program option.



And finally, looking at all 242 Head Start agencies state-wide, excluding migrant and Native American Indian programs, only 6% or 5,502 slots out of 80,746 are home-based slots.



2. Optimal “Dosage”: In 2015 the Office of Head Start issued a draft of the proposed new Performance Standards that govern the Head Start program. This proposal spoke to a need for “higher dosage levels” in Head Start to be consistent with that of many State pre-kindergarten programs and proposes to eliminate the home based option as a standard program option. Programs can still have Head Start Home Base as a locally-designed option if “a program can demonstrate that a shorter program more effectively meets its community’s needs.”¹

A Solution:

CSB will respond to this call for increased dosage and decreased community need by adjusting our programing as follows:

- Reduce our current Head Start home base program from 84 to 12; leaving one caseload (12) to serve children with special needs that are temporarily unable to participate in center base.
- Add 84 state funded center based slots in areas of high need.
- Meet the needs and preferences of the 21 children returning to the program from home base in the 16-17 program year by serving 4 in home base and 18 in center base.
- Work closely with each of the six impacted Early Childhood Home Educators who are impacted to ensure alternate placement within the Department.

Fiscal Relief for Unfunded Mandates and Facility Improvement Costs

Despite the rising cost of doing business in general, along with the increased federal mandates to maintain our facilities to the highest standards for health and safety, federal funding has remained relatively flat. The Office of Head Start offers relief from this situation in the form of a slot reduction where the same level of funding is maintained while serving fewer children. Therefore, this slot reduction is not only making our program more viable in meeting community needs, it is also adjusting our program fiscally as shown by the analysis below.

Anticipated Costs:			
	FY 2016-17 Estimated facility costs to meet Health & Safety requirements		\$ 1,076,000
Cost Savings from 150-slot reduction:			
1	a. Reduce 78 slots - CSB childcare centers - 48; Little Angels - 10; East Leland - 20	\$ 289,141	
	b. Re-design slot configuration in Bayo Vista, Crescent Park and GMC to 20 FP/HS	191,909	
2	Eliminate Early Childhood Educator positions, 6 FTEs	460,000	
	Total Savings from slot reduction	\$ 941,050	
3	Addition of 168 State slots through collaboration with Antioch and San Ramon Unified School Districts and other community-based organizations	90,976	1,032,026
Projected Shortfall			\$ (43,974)
Unfunded COLA Impact:			
	FY 2017-18 - \$611,000		
	FY 2018-19 - \$1,240,000		

¹ <http://eclkc.ohs.acf.hhs.gov/hslc/standards/hspps/nprm/docs/ohs-nprm-summary.pdf>